



Agenda Date: 9/13/06

Agenda Item: IVA

STATE OF NEW JERSEY

Board of Public Utilities

Two Gateway Center

Newark, NJ 07102

www.bpu.state.nj.us

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF WARWICK)
VALLEY TELEPHONE COMPANY FOR CERTIFICATION)
WITH REGARD TO THE USE OF UNIVERSAL SERVICE)
SUPPORT)

ORDER OF APPROVAL & CERTIFICATION

DOCKET NO. TO01090575

(SERVICE LIST ATTACHED)

BY THE BOARD:

On June 28, 2006, pursuant to 47 C.F.R. §54.314, Warwick Valley Telephone Company (Warwick) filed a verified petition with the Board of Public Utilities (Board) requesting that the Board file a certification with the Federal Communications Commission (FCC) that Warwick's use of Universal Service Support funds is consistent with the purposes for which such funds may be used, according to federal law. On July 11, 2006 Warwick sent certification of publication regarding this matter. This certification must be filed by the Board with the FCC by October 1, 2006 in order for Warwick to receive its full allocation of funds under requirements imposed by the FCC. Because of this federal deadline, Warwick has requested expedited treatment of this matter, which the Board has agreed to provide.

Warwick is an incumbent local exchange carrier (ILEC) providing telecommunications services to customers in the Township of Vernon, County of Sussex, and Township of West Milford, County of Passaic, New Jersey, and the towns of Warwick and Goshen, New York. Warwick provides service to approximately 25,847 access lines, of which approximately 9,114 are in New Jersey. Warwick is a rural telephone company as defined by the Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56 (codified in scattered sections of 47 U.S.C. §§151 *et seq.*) (hereinafter, the Act). See 47 U.S.C. §153(37). The Board has previously certified Warwick as an eligible telecommunications carrier pursuant to 47 U.S.C. §214(e). See Order of Approval, I/M/O a Petition by Warwick Valley Telephone Company for Designation as an Eligible Telecommunications Carrier Under the Telecommunications Act of 1996, Docket No. TO97080587 (November 25, 1997). Under the Act, certification as an Eligible Telecommunications Carrier is necessary in order to receive federal Universal Service Support. 47 U.S.C. §254(e).

The FCC's rule at 47 C.F.R. §54.314(a) requires that, in order for Warwick to receive Universal Service Support funds, the Board must file an annual certification with the fund administrator and state to the FCC that "all federal high-cost support provided to [Warwick] will be used only for provision, maintenance, and upgrading of facilities and service for which the support is

intended.” Pursuant to 47 C.F.R. §54.314(d), the Board’s annual certification must be filed with the administrator and the FCC by October 1, 2006, in order for Warwick to receive Universal Service Support fund support for 2007.

By previous Order, dated August 17, 2005 at Docket No. TO01090575, the Board certified Warwick’s use of Universal Service Support funds in order for Warwick to receive support in 2006. In that Order, the Board stated:

Because state certification is now required on an annual basis, and in order to ensure use of Universal Service Support funds in a manner consistent with federal law, the Board DIRECTS Warwick to continue to submit to the Board, no later than July 1st and January 1st of each year, a report, in a manner and format to be determined by Staff, providing auditable information sufficient to determine Warwick’s compliance with federal law, including, but not limited to, compliance with the FCC’s required uses of Universal Service Support funds. The Board FURTHER DIRECTS Warwick to continue to file its future requests for Board certification no later than July 1st of each year, absent extenuating circumstances, and to simultaneously publish notice of the filing in newspapers of general circulation in its service territory. Such notice shall be reviewed by Staff prior to its publication.

By letter, dated January 19, 2006, Warwick provided pro forma information as of December 21, 2005 on Warwick’s use of Universal Service Support funds, in the same format and using the same accounting method that Warwick used in filing its previous petition for certification, dated June 29, 2005, at Docket No. TO01090575. Warwick stated that, absent different format and accounting methods determined by Board Staff, it intended to file, on a semi-annual basis, the same form of schedules as its support for obtaining the Board’s future certifications on use of Universal Service Support funds.

Warwick has filed the following information.

- A - Cost Support Response Form prepared as of June 15, 2006 (schedules for 2006 pro forma and 2007 projected).
- B - Affidavit of Michael A. Cutler, Vice President of Warwick, certifying use of Universal Service Support funds for 2007 will be for intended purposes under the Act.
- C - A copy of the proof of newspaper publication of this filing.

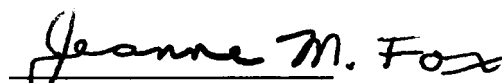
Having reviewed the petition and the information submitted in support thereof, the Board HEREBY CERTIFIES that Warwick shall use the federal Universal Service Support it receives during 2007 for the provision, maintenance and upgrading of facilities and service for which such support is intended, as required by Section 254(e) of the Telecommunications Act of 1996 and 47 C.F.R. §54.101 et seq.

Because state certification is now required on an annual basis, and in order to ensure continued use of Universal Service Support funds in a manner consistent with federal law, the Board DIRECTS Warwick to continue to submit to the Board, no later than July 1st and January 1st of each year, a report, in a manner and format to be determined by Staff, providing auditable information sufficient to determine Warwick’s compliance with federal law, including, but not limited to, compliance with the FCC’s required uses of Universal Service Support funds.

The Board FURTHER DIRECTS Warwick to continue to file its future requests for Board certification no later than July 1st of each year, absent extenuating circumstances, and to simultaneously publish notice of the filing in newspapers of general circulation in its service territory. Such notice shall be reviewed by Staff prior to its publication. In addition, the Board requests that the Attorney General's office provide, to both the Office of the Secretary of the FCC and the Administrator of the high-cost universal service support mechanism, a letter transmitting this Order to serve as compliance with the certification requirements as set forth in 47 C.F.R. §54.315.

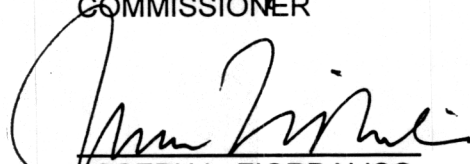
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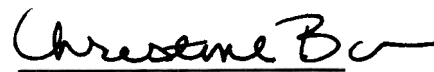
BOARD OF PUBLIC UTILITIES
BY:


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PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER


CONNIE O. HUGHES
COMMISSIONER

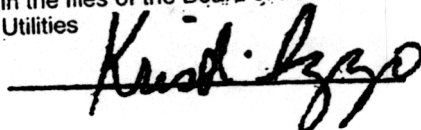

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



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Docket No. TO01090575

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